

Message Text

LIMITED OFFICIAL USE

PAGE 01 LAGOS 09979 310714Z

11

ACTION OPIC-06

INFO OCT-01 AF-08 ISO-00 EB-07 COME-00 /022 W

----- 049017

R 301508Z AUG 76

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 6555

LIMITED OFFICIAL USE LAGOS 9979

PASS TO OPIC

E.O. 11652: N/A

TAGS: EINV, NI

SUBJECT: CITIBANK - 620-74-381 AND J.P. MORGAN OVERSEAS CAPITAL
CORPORATION - 620-75-152 - NIGERIA

REF: (A) STATE 213924 (B) LAGOS 8516 (C) LAGOS 8863
(D) LAGOS 9388 (E) LAGOS 9892

1. YOUR UNDERSTANDING (PARA 2, REF A) THAT FOREIGN EQUITY PARTICIPATION IN BANKS UNDER NEW SCHEDULE II WILL BE LIMITED TO 40 PERCENT IS CORRECT. ALTHOUGH CITIBANK DOES NOT NOW MEET REQUIREMENT, IT AND ALL OTHER FOREIGN CONTROLLED BANKS ARE ACTIVELY NEGOTIATING WITH FMG TO SETTLE "INDIGENIZATION" ISSUE. NEGOTIATION DEADLINE FOR BANKS IS SEPTEMBER 30, 1976.

2. NIDB IS VIEWED AS A NIGERIAN ENTITY ALTHOUGH IT IS NOT WHOLLY OWNED BY NIGERIANS. ICON IS ADVISED BY FMG IT IS ALREADY IN COMPLIANCE WITH NEW SCHEDULE 88.

3. LARGE NUMBER OF EXEMPTIONS WERE GRANTED BY NIGERIAN GOVERNMENT UNDER 1&72 INDIGENIZATION LAW, E.G, CITIBANK AND BANK OF AMERICA WHICH BOTH REMAIN 100 PERCENT U.S. OWNED AFTER PROMULGATION OF 1972 DEGREE. STATEMENTS BY FMG OFFICIALS, HOWEVER, STRONGLY INDICATE THAT FMG LIKELY ISSUE FEW, IF ANY, EXEMPTIONS TO NEW INDIGENIZATION MEASURES.

4. SUGGEST OPIC REFER TO REFTELS B THROUGH E FOR BACKGROUND/
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LAGOS 09979 310714Z

STATUS RE CITIBANK'S REACTIONS TO INDIGENIZATION.

EASUM

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, FOREIGN INVESTMENT, BANKS, NEGOTIATIONS, ECONOMIC INTEGRATION
Control Number: n/a
Copy: SINGLE
Draft Date: 30 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LAGOS09979
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760329-1270
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976087/aaaaafvk.tel
Line Count: 62
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 213924, 76 LAGOS 8516, 76 LAGOS 8863, 76 LAGOS 9388, 76 LAGOS 9892
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 26 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 JUL 2004 by ElyME>; APPROVED <18 OCT 2004 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CITIBANK - 620-74-381 AND J.P. MORGAN OVERSEAS CAPITAL CORPORATION - 620-75-152 - NIGERIA
TAGS: EINV, NI
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006